

Exhibit No. 2Date 4-12-13Amendments to House Bill No. 13
3rd Reading CopyBill No. HB 13

For the Senate Finance and Claims Committee

Prepared by Julie Johnson
April 12, 2013 (4:16pm)

1. Title, page 1, line 8.

Following: "REVISIONS"**Strike:** ", "**Insert:** "AND"

2. Title, page 1, lines 8 and 9.

Strike: ", AND" on line 8 through "INITIATIVE" on line 9

3. Title, page 1, line 10.

Following: "SECTIONS"**Insert:** "2-18-301,"**Following:** "2-18-303"**Insert:** ", "

4. Page 1, line 14.

Following: line 13**Insert:** "Section 1. Section 2-18-301, MCA, is amended to read:

"2-18-301. Intent of part -- rules. (1) It is the intent of the legislature that compensation plans for state employees, excluding those employees excepted under 2-18-103 or 2-18-104, be based, ~~in part,~~ on an analysis and comparison of the municipal and state government labor market markets in North Dakota, South Dakota, Idaho, and Wyoming as provided by the department ~~in a biennial salary survey from the national compensation association of state governments salary survey and other information relative to the state government salaries and compensation in those states. The salary survey must be submitted For the biennium beginning July 1, 2013, the department shall determine this information before pay raises are implemented. For legislative sessions following the biennium beginning July 1, 2013, the department shall submit~~ to the office of budget and program planning as a part of the information required by 17-7-111-:

(a) an analysis of how Montana government employee salaries and other compensation compare to the municipal and state government salaries in North Dakota, South Dakota, Idaho, and

Wyoming; and

(b) an analysis of the labor market as determined by the department in a biennial salary survey.

(2) Pay adjustments, if any, provided for in 2-18-303 supersede any other plan or systems established through collective bargaining after the adjournment of the legislature.

(3) Total funds required to implement the pay increases, if any, provided for in 2-18-303 for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the legislature.

(4) The department shall administer the pay program established by the legislature on the basis of competency, internal equity, and competitiveness to ~~external labor markets~~ the municipal and state government labor markets in North Dakota, South Dakota, Idaho, and Wyoming. The intent is to bring all pay bands to the same relationship percentage of the market rate midpoint salary comparison when fiscally able.

(5) The broadband pay plan must consist of nine pay bands. Each pay band must contain a salary range with a minimum salary and a maximum salary.

(6) Based on the biennial salary survey, the department shall:

(a) identify current market rates for all occupations;
(b) establish salary ranges for each pay band; and
(c) recommend competitive pay zones with the municipal and state government labor markets in North Dakota, South Dakota, Idaho, and Wyoming using the national compensation association of state governments salary survey and other relevant information for those states.

(7) The department may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part.

(8) Nothing in this part prohibits the board of regents from engaging in negotiations with the collective bargaining units representing the classified staff of the university system."

{ Internal References to 2-18-301:

2-6-110 }"

Renumber: subsequent sections

5. Page 1, line 27 through line 30.

Strike: "FUNDS" on line 27 through "2011." on line 30

Insert: "(a) The department shall determine the allocation of funding to agencies for pay increases. This funding is to bring those occupations in pay bands that are the furthest below the market rate midpoint up as far as fiscally possible to allow each pay band within an agency and the state to reach the same percentage of market rate salary midpoint as compared to the municipal and state government

labor markets in North Dakota, South Dakota, Idaho, and Wyoming. The market rate midpoint is determined using municipal and state government salaries in the national compensation association of state governments salary survey and other information relative to the municipal and state salaries and compensation in those states.

(b) Effective on the first day of the first complete pay period in July 2013, the base salary of each employee in the blue-collar pay plan must be increased by 92 cents an hour. Effective on the first day of the first complete pay period in July 2014, the base salary of each employee in the blue-collar pay plan must be increased by 97 cents an hour."

- END -